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Exec. Reg. 9037-80/2ODP 0-649
16 May 1980

REFER

MEMORANDUM FOR: Deputy Director of Central Intelligence

VIA: Deputy Director for Administration

FROM: Bruce T. Johnson
Director of Data Processing

SUBJECT: Fiscal Year 1980 Review of Automatic Data
Processing (ADP) Projects (U)

REFERENCE: Your memorandum to EXCOM members, same
subject, dated 18 March 1980 (EXCOM 9037-80)

1. This memorandum responds to reference request that I summarize the lessons learned during the EXCOM review of ADP projects and that I solicit the views of the EXCOM members on how the process could be improved next year. Paragraph 7 contains several recommendations for your consideration. (U)

2. We can summarize the lessons learned in the FY 1980 Review as follows:

- a. In its FY 80 review the EXCOM received ADP Project Decision Forms covering 29 ODP-supported projects and 11 component-budgeted projects representing a total cost of [redacted] of the [redacted] identified in the FY 80 budget as ADP money. (These figures exclude [redacted] for Project SAFE, which is separately reviewed by its CIA/DIA Steering Committee.) Staff review of these summaries led to requests for briefings on ten of these projects (five ODP-supported and five other). The briefings, including the ODP overview, were presented in four meetings of the Committee and took a total of five hours, less than half the time consumed by the 1979 process. As a result of these reviews all on-going projects except accelerated CRAFT were approved at the FY 80 resource levels requested (see reference). Specific comments on individual projects are

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unnecessary in this summary; details may be found in the Project Decision Forms. (CRAFT has subsequently been the subject of a separate review.) (C)

- b. The ODP-supported projects covered by the review represent 86% of the resources controlled by ODP. From the overview of ODP presented by the Director of Data Processing, the EXCOM learned that customer dependence on and demand for all forms of computer service (batch, database or GIMS, and interactive or VM) continues to rise, and customer projections of support needed for the activities under review show that the growth curves for these services are not likely to change significantly. Plans for meeting this growing demand were outlined in general terms. Technology is our ally in this supply/demand struggle and it is believed that given the drop in the unit cost of computing, the Office of Data Processing will be able to keep ahead of demand by judicious upgrading of its equipment to take full advantage of technological developments. Such upgrades in general purpose central ADP services will be possible if ODP is able to maintain its budget base at today's levels, adjusted for inflation. (U)
- c. One trend was apparent which could alter this budgetary equilibrium. Community-related activities are consuming an increasing proportion of Agency ADP resources. The most dramatic example is CAMS (COMIREX Automated Management System), which has risen from 11% of ODP's budget in 1978 to 20% in 1980. ODP has just been asked to assume responsibility for the development of CAMS II, to support tomorrow's imagery-support needs. Cost estimates are in preparation, but the additional resources needed for this effort will further increase CAMS' percentage of ODP's budget. An impending NFIB/IRC approval of a proposal to make CIA's RECON bibliographic system available to the Community has major resource implications as well, but the proposal was contingent upon the availability of non-CIA funding. RAS/IRO, which is managing the review of the proposal, has indicated that it will attempt to provide RAS funds for this project. (C)

- d. The growth of CAMS is but one element in the development of Imagery as the major consumer of ADP resources. Programmatic distribution of CIA's ADP budget in FY 1979 showed PHOTINT consuming 36% (including NPIC), with Intelligence Production

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e.

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- f. Agency budgets show [] workyears attributed to ADP, about half of them in ODP itself. No significant changes in these levels are projected for FY 1981. Trends in "do-it-yourself" computing suggest that an increasing amount of time not identifiable as ADP-related is expended on the development and use of ADP programs, however. (U)

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- g. Overall, except for SAFE, the Agency ADP budget is in a steady state when 1979, 1980 and 1981 are compared. The [] rise in 1981 is almost totally attributable to SAFE, whose established funding profile shows an increase [] in 1981.

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(C)

- h. Finally, this year's review showed that on balance the 1979 projections had been more accurate than those of the previous year. No unreviewed projects crossed the review threshold of \$250,000 during FY 1979, although several of the reviewed projects exceeded their original requested resource levels. Fortunately, ODP was able to allocate non-prime-time batch service to meet the unanticipated demand. The situation was aided by the fact that, due to changes elsewhere in the programs, several large projects in ODSE and OWI consumed less than had been predicted. Overall, this monitoring aspect of the review process seems to be working well. (U)

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3. The comments of EXCOM members on the review process were generally supportive, and no one suggested that we forego the practice. Most suggested, directly or indirectly, that we attempt to reduce further the amount of time the members themselves spend on the review. Additional attention to critical policy, planning and organizational issues was urged. D/MFAC urged highlighting of Community-related projects. The Comptroller suggested a preview procedure to improve the focus of the briefings presented to the Committee, and additional emphasis on plans for forthcoming years. He also recommended deferring any changes in the process until the Information Handling Task Force has completed its work and reported to the EXCOM. (U)

4. The IH Task Force may indeed offer recommendations which would have a direct bearing upon the ADP review process. Any newly created central information handling structure, whether it be a small staff element or a major line organization, would have to play a part in any review of the uses of ADP. Furthermore, its involvement would probably change the nature of the review, for the communications and records management elements of information handling could hardly be divorced from any review managed or influenced by such an entity. This fact of the inter-relationship of the several aspects of information handling leads to the fundamental question: Will it be appropriate, in the future, to conduct a review of ADP projects which does not also cover communications and other aspects of information management? Many of the 40 projects covered in the FY 1980 review are as dependent on effective communications as on responsive computers. Should we redirect our review to make it more comprehensive? But, if we do, how do we avoid making it so large and encompassing as to become totally unwieldy as a target for EXCOM attention? (U)

5. Related to this question of broader content is the matter of future versus current requirements. ODP has in recent weeks been supporting the Office of the Comptroller in its efforts to assess ADP-related requests (in this case for minicomputers) found in component programs for FY 1982. In many cases these future needs were not mentioned in the Project Decision Forms prepared for the FY 1980 review. The question arises: Should the ADP Review, however broadened in scope, give more emphasis to outyear requirements and provide advance information about the investments which will be proposed in the annual Program Plans? (U)

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6. The answers to these questions may be provided, at least in part, by the INTF study and the debate it stimulates. Meanwhile, it is clear that we have a consensus in the desirability of some form of periodic review of our use of ADP. If we are to have such a review in 1981, we will have to begin preparing the necessary forms and instructions by midsummer, when, in all probability, final decisions will not yet have been reached on the Task Force recommendations. The reconfirmation of existing monitoring procedures and thresholds contained in paragraph 2 of reference will ensure that we can obtain the basic data needed for a 1981 review. One minor addition to those standing instructions might be useful, given our 1979 experience. If ODP could be advised of significant reductions (-20% or more) in expected current-year use of ODP services, we could plan more effectively for the reallocation of the unused capacity to meet unanticipated growth in use by other customers. (U)

7. The foregoing leads to the following recommendations:

- a. Amend reference to require components to report major reductions (20% or more) in expected ADP usage rates for reportable ADP projects during the remainder of FY 1980.
(Action: EXCON Staff in coordination with ODP) (U)
- b. Request the Information Handling Task Force to address the review process as a part of their final report on their study of information handling in CIA. Any proposals on this subject should seek to reduce further the time investment of EXCON members and should reflect increased emphasis on issues and future resource needs.
(Action: INTF) (U)
- c. Defer any other changes in the ADP review and reporting process until after the Task Force Report is available. (U)

/s/ Bruce T. Johnson

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SUBJECT: Fiscal Year 1980 Review of Automatic Data
Processing (ADP) Projects (U)

CONCUR:

DON WORTMAN

Deputy Director for Administration

23 MAY 1980

Date

APPROVED:

Recommendation 7a is approved () disapproved ()
Recommendation 7b is approved () disapproved ()
Recommendation 7c is approved () disapproved ()

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Deputy Director for Central Intelligence

27 May 1980
Date

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